

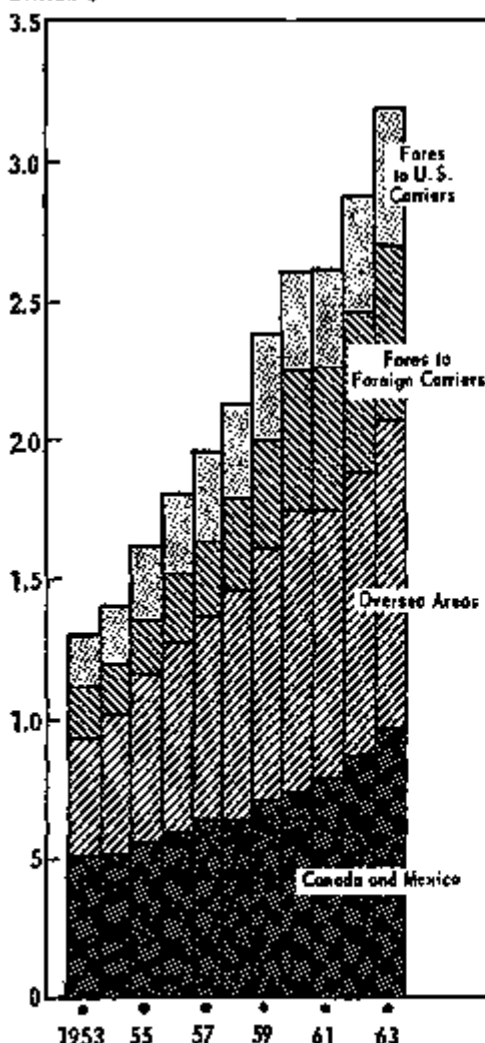
Foreign Travel Boom Continued in 1963

A RECORD number of U.S. residents traveled abroad last year and spent more on foreign travel than ever before. The total expenditure came to about \$3.2 billion. The increase over 1962—11 percent—matched the 1961-62 rise and was slightly larger than the average annual increase over the last dozen years.

All but \$0.5 billion of the total went to foreign countries, either as fare payments to foreign transoceanic carriers or

FOREIGN TRAVEL EXPENDITURES OF U.S. RESIDENTS

Billion \$



U.S. Department of Commerce, Office of Business Economics 64-6-10

as payments for travel expenses within foreign countries. Transoceanic fares accounted for \$1,120 million, or more than one-third of total expenditures; of this, foreign carriers received \$625 million and U.S. carriers \$495 million. Almost \$2.1 billion was spent within foreign countries—9 percent more than in 1962. The latter increase reflected two factors that worked in opposite directions: on the one hand, there was a large increase in the number of travelers, but this was offset in part by a decrease in average expenditure per traveler.

Almost all areas shared in the 1963 rise. Europe and the Mediterranean area received \$735 million last year, up 11 percent over 1962, as compared with a rise of 5 percent in the previous year. Expenditures in Canada, at \$520 million, were 9 percent higher than in 1962; in Mexico, Americans spent \$450 million, 13 percent over the prior year. In other areas, the changes from 1962 were slight, showing virtually no change in the Caribbean area and in South America, and a 3-percent rise in the Pacific region.

Foreign visitors to the United States spent a total of \$935 million in 1963, 7 percent more than in 1962. As usual expenditures by visitors from Canada and Mexico made up the bulk of our receipts, their combined outlays reaching some \$600 million, or two-thirds of the total. Visitors from overseas spent \$330 million here last year, an increase of 26 percent, and in addition, paid about \$118 million in transoceanic fares to U.S. carriers.

Travel payments rise in 1964

Preliminary estimates of U.S. travel spending during the first 3 months of 1964 indicate a continued growth of travel payments during the year. Total expenditures were up 9 percent over

the corresponding 1963 quarter. More disposable income in the hands of prospective U.S. travelers because of rising economic activity and lower income taxes should serve to continue the upward trend of U.S. travel spending abroad in 1964. If the relationship between foreign travel outlays and disposable personal income of the last decade continues (see Survey, June 1963, p. 27), and if GNP approximates the widely used forecast of \$623 billion Americans will spend upward of \$3.5 billion on foreign trips this year. Lower transportation costs across the Atlantic beginning in April should be an additional stimulating factor.

Receipts from foreign visitors rose to \$215 million during the first quarter of 1964, a total 15 percent higher than in the same period last year. Canadian

Table 1.—Expenditures for Foreign Travel By U.S. Residents

Year	Total	Expenditures in foreign countries	Fares paid to—	
			Foreign carriers	U.S. carriers
1920.....	088	163	164	41
1927.....	470	246	96	27
1947.....	716	573	56	88
1951.....	1,058	757	132	138
1952.....	1,188	810	172	179
1953.....	1,308	828	170	198
1954.....	1,401	1,081	183	290
1955.....	1,612	1,158	201	236
1956.....	1,814	1,276	238	301
1957.....	1,938	1,372	251	222
1958.....	2,140	1,400	320	300
1959.....	2,387	1,610	380	388
1960.....	2,610	1,745	408	395
1961.....	2,812	1,747	497	459
1962.....	2,932	1,922	570	415
1963.....	3,190	2,070	625	495

* New Berlin.

Notes.—Excludes travel by military personnel and other Government employees stationed abroad, their dependents and U.S. citizens residing abroad; includes shore expenditures of cruise travelers; passenger fares exclude fares paid by emigrant aliens.

Source: U.S. Department of Commerce, Office of Business Economics.

spending for travel here was up sharply with a gain of 25 percent; this may mark the end of the downtrend of the last several years in Canadian travel

expenditures in this country. The New York World's Fair can be expected to stimulate foreign visits, and lower transportation costs on the Atlantic will also assist in raising travel here.

Number of travelers reaches 2 million

The number of U.S. residents traveling overseas last year rose 12½ percent to almost 2 million. The absolute increase from 1962 was higher by 30,000 persons than in the previous year, but percentage-wise the changes in the 2 years were about the same. The number of air travelers increased by 12 percent to 1,672,000 in 1963, while those traveling by sea reached 318,000, about 14 percent more than in 1962. The proportion of sea voyages remained at approximately 16 percent of all overseas travelers, the same as the year before.

Table 2.—Expenditures for Foreign Travel by U.S. Residents, 1959-63

	(Millions of dollars)				
	1959	1960	1961	1962	1963
Total.....	2,980	2,618	2,612	2,883	3,100
Transportation.....	770	825	865	990	1,120
Foreign-flag carriers.....	389	505	507	575	625
U.S.-flag carriers.....	380	320	358	415	495
Expenditures abroad.....	1,610	1,745	1,747	1,892	2,070
Canada.....	305	390	428	479	522
Persons staying under 24 hours.....	n.a.	48	47	55	n.a.
Mexico.....	350	305	378	305	448
Persons visiting Mexican border only.....	232	245	254	280	302
Overseas areas.....	895	1,000	962	1,018	1,100
Europe and Mediterranean.....	804	704	830	800	735
United Kingdom.....	102	116	107	113	110
Ireland.....	n.a.	12	13	10	16
France.....	n.a.	118	106	112	110
Holland.....	n.a.	38	26	28	39
Germany.....	n.a.	38	53	60	78
Austria.....	n.a.	22	26	22	25
Switzerland.....	n.a.	43	46	45	53
Italy.....	n.a.	123	112	118	135
Spain.....	n.a.	25	24	28	35
Israel.....	n.a.	20	22	23	25
Greece.....	n.a.	16	18	18	25
Denmark.....	n.a.	23	19	18	21
Norway.....	n.a.	11	12	13	12
Sweden.....	n.a.	14	13	12	13
West Indies and Central America.....	174	105	160	178	180
Bermuda.....	n.a.	28	31	30	32
Bahamas.....	n.a.	42	55	48	48
Jamaica.....	n.a.	28	30	33	40
Other British West Indies.....	n.a.	18	18	18	19
Cuba.....	n.a.	16	n.a.
Netherlands West Indies.....	n.a.	10	11	10	10
South America.....	41	45	43	55	58
Venezuela.....	n.a.	9	9	10	9
Other overseas areas.....	76	85	114	125	129
Japan.....	n.a.	30	40	50	52
Hong Kong.....	n.a.	18	24	23	24
Australia-New Zealand.....	n.a.	n.a.	11	12	13

NOTE.—For coverage, see table 1. n.a. Not available.
Source: U.S. Department of Commerce, Office of Business Economics.

Once again, travel on cruise ships grew vigorously. More than 322,000 Americans took cruises, compared with some 266,000 in the previous year. Much of the rise of 21 percent was to the Caribbean area, with emphasis on short cruises to Nassau and other relatively nearby islands. In contrast with their strong performance in the previous year, U.S. cruise ships actually carried fewer passengers, and their share of the cruise market dropped from 15 percent of the total to 10 percent in 1963.

Cruise travelers are not included in the number of U.S. residents visiting overseas destinations, although their fare payments and spending ashore are included in data on travel expenditure. Cruise patrons are defined as travelers destined from one U.S. port to another, visiting foreign countries only briefly, and using the ship as a hotel. Their expenditure patterns differ from those of other travelers: 75 percent or more of their total outlays are devoted to fare payments and shipboard expenses.

Travel to Europe

U.S. residents spent a grand total of \$1.34 billion on travel to Europe and the Mediterranean area last year, about \$100 million or 9 percent more than in 1962. These figures include outlays on both transoceanic fares and expenditures within the region. The number of travelers rose much more sharply, from 930,000 to 1,100,000, or by 18 percent. The cost of a European trip for the average American traveler declined, from \$1,300 in 1962 to \$1,200 last year. Among the factors contributing to the growth in travel to Europe were promotional air fares, special rates for groups of 25 or more, and the steady rise in chartered flights by clubs and associations.

Average trip to Europe cost less in 1963

Lower transoceanic transportation costs contributed to the continued downward trend of total trip costs for Americans traveling to Europe and the Mediterranean area, but average per capita outlays within Europe also went down once again. Transportation to Europe and return amounted to \$550 for

the average traveler in 1963, down 10 percent, while expenses within the region averaged \$670 compared to the previous year's \$705 (see table 4). Figures for both years are associated with an average stay in Europe of approximately 45 days, with no significant variation in this factor over the 2-year period.

The decline in average per capita expenditures represented a continuation of a downward trend that has been in progress since 1958, and has been accentuated since 1960. Per capita outlays last year were well below even those of the early 1950's. A shorter length of visit as compared with the earlier period seems to provide part but not all of the explanation for the decrease. Daily expenditures in 1963 averaged \$15, as against \$13 in 1952 and \$17.50 in 1958 (see table 8). Since there has been a considerable

Table 3.—U.S. Travelers to Overseas Countries by Means of Transportation

	(Thousands of travelers)				
	1959	1960	1961	1962	1963
Total.....	1,616	1,034	1,575	1,707	1,856
Sea.....	270	317	208	280	318
Air.....	1,347	717	1,367	1,427	1,538
Europe and Mediterranean.....	705	833	930	931	1,162
Sea.....	204	230	265	221	264
Air.....	501	603	665	710	898
West Indies and Central America.....	677	641	550	600	624
Sea.....	55	67	37	33	41
Air.....	622	574	513	576	583
South America.....	58	71	63	86	67
Sea.....	7	9	10	9	5
Air.....	51	62	53	77	62
Other.....	76	90	116	142	100
Sea.....	13	11	15	18	16
Air.....	63	79	101	124	84

NOTE.—For coverage, see table 1; also excludes cruise travelers, who numbered about 100,000 in 1960, 212,000 in 1961, 206,000 in 1962, and 322,000 in 1963.

Source: U.S. Department of Commerce, Office of Business Economics, based on data of U.S. Department of Justice Immigration and Naturalization Service.

price rise in Europe from the 1950's to date, it appears that the real volume of daily expenditures has decreased since 1952 and has fallen substantially since 1958. The most important factor in this decline may well be the growing number of U.S. travelers in the middle income groups who now find foreign travel within their reach but who spend on a more modest scale. The \$100

limit on duty-free imports may also have helped lower the average expenditure per traveler in the year or two following its introduction in 1961.

Sea travelers spent more than air travelers

Persons traveling to Europe by air spent less on the trip than those using sea transportation in 1963. Air travelers paid on average of \$530 each for transportation to and from Europe, and spent \$615 in Europe. Both were lower than in 1962, when air fares averaged \$595 and other expenses \$640. Air travelers characteristically run up a higher daily expenditure than sea travelers (see table 6), but their trips are on the average of shorter duration. Sea travelers paid an average of \$630 for transportation to and from

Europe and the Mediterranean area, and spent an additional \$850 while there. Comparable figures for 1962 were \$635 in fares, and \$860 for outlays within European countries.

The proportion of U.S. residents who traveled to Europe by sea showed a continued decline in 1963. About 23 percent of all Americans used sea transportation, a percentage point less than in the year before. However, the absolute number of those who chose to travel by ship climbed about 33,000 over 1962, reaching 254,000. Some 848,000 Americans visited Europe by air, almost 20 percent more than in 1962.

Increases widespread by country

Expenditures rose in almost all European countries last year but rates of

increase varied widely. There were larger than average increases in total expenditures in the Netherlands, Spain, and Greece, with advances ranging from 25 to approximately 40 percent over the previous year. Smaller than average gains occurred in the United Kingdom, France, and Switzerland, and there was little change in Ireland and Belgium. The number of travelers rose in every country. The three countries with the largest advances in aggregate spending also benefited from increased per capita outlays. At the other end of the scale, the United Kingdom, Ireland, and Switzerland experienced larger than average decreases in per capita outlays. In a majority of the countries there was either no change in per capita spending or a decrease of a few percent.

Travel in Other Areas

In Canada, where Americans spend more for travel than in any other country, U.S. travel spending climbed 9 percent over 1962 to \$520 million.

Over 630,000 Americans visited the West Indies and Caribbean area, including Bermuda, and spent \$180 million in the region in 1963. An increase of 4 percent in the number of visitors helped offset lower average expenditures, as did the strong growth of cruise travel in this area. Most countries in the region last year received about the same amount as in 1962 from larger numbers of U.S. visitors. Bermuda and Jamaica appear to have done slightly better than average, each earning about \$2 million more in 1963 than in the prior year.

Nearly 100,000 U.S. travelers spent \$56 million on South American trips, compared with 85,000 who spent \$55 million there in 1962. Americans spent 13 percent more for Mexican travel in 1963, for a total of \$448 million. Persons traveling in the border zone of Mexico spent 72 percent of the total, or \$322 million. Over \$125 million was spent in interior Mexico.

A 13-percent rise in U.S. travel to other overseas areas—principally the Far East—resulted in the expenditure of only 3 percent more dollars last year. A total of \$129 million was spent by 160,000 U.S. residents traveling in the area. Roughly 80 percent in-

Table 4.—Numbers and Expenditures of U.S.-born and Foreign-born U.S. Residents Traveling in Europe and the Mediterranean Area, Selected Countries, as Available, 1962-63

	Number of travelers (thousands)			Total expenditures (millions of dollars)			Average expenditures (dollars)		
	U.S.-born	Foreign-born	Total	U.S.-born	Foreign-born	Total	U.S.-born	Foreign-born	Total
Europe and Mediterranean:									
1963	773	339	1,112	664	171	835	730	520	1,250
1962	649	282	931	604	150	754	773	544	1,317
Sea:									
1963	102	92	194	138	58	196	132	137	269
1962	137	84	221	140	54	194	1,007	381	1,388
Air:									
1963	671	247	918	526	113	639	605	474	1,079
1962	512	198	710	464	102	566	711	518	1,229
United Kingdom:									
1963	426	101	527	92	24	116	211	230	441
1962	363	96	459	60	22	82	233	230	463
Ireland:									
1963	57	23	80	10	0	10	176	280	456
1962	55	20	75	10	0	10	181	384	565
France:									
1963	478	68	546	102	17	119	212	177	389
1962	428	60	488	106	17	123	217	190	407
Belgium-Luxembourg:									
1963	119	26	145	7	2	9	80	81	161
1962	120	18	138	7	2	9	92	90	182
Netherlands:									
1963	187	40	227	17	4	21	89	117	206
1962	162	31	193	14	3	17	82	108	190
Germany:									
1963	307	101	408	50	28	78	163	235	398
1962	282	95	377	40	26	66	102	273	375
Austria:									
1963	106	43	149	18	7	25	100	155	255
1962	142	39	181	17	6	23	120	147	267
Switzerland:									
1963	205	68	273	43	10	53	142	151	293
1962	287	60	347	38	10	48	180	168	348
Italy:									
1963	301	98	399	105	30	135	265	311	576
1962	331	80	411	92	28	120	275	291	566
Spain:									
1963	141	22	163	31	5	36	217	243	460
1962	112	21	133	23	5	28	206	238	444
Denmark:									
1963	146	35	181	17	4	21	117	101	218
1962	119	30	149	14	4	18	129	131	260
Sweden:									
1963	72	13	85	10	3	13	134	255	389
1962	60	17	77	8	4	12	133	250	383
Greece:									
1963	74	30	104	17	8	25	281	421	702
1962	63	12	75	13	5	18	260	415	675
Israel:									
1963	48	30	78	15	11	26	300	353	653
1962	42	26	68	14	9	23	300	360	660

NOTE.—For coverage see table 1; includes the expenditures but not the number of cruise travelers. Average expenditures of foreign-born U.S. residents are higher than those of U.S.-born travelers in some countries, though they are lower for the area as a whole, because foreign-born travelers visit fewer countries, and stay longer than the U.S.-born travelers, who visit more countries on each trip.

SOURCE: U.S. Department of Commerce, Office of Business Economics, based on data of U.S. Department of Justice, Immigration and Naturalization Service.

cluded Japan in their itinerary and spent \$52 million in that country, while approximately 75,000 Americans visited Hong Kong, where they spent \$25 million. Both countries maintained their positions as the leading foreign travel attractions of the Pacific area, but declining average expenditures held dollar receipts to very limited gains over 1962. Despite their decline

U.S. receipts from travel. Restrictive measures of the Canadian government continued to exercise a restraining influence on spending of its residents for U.S. travel, which dropped 5 percent below the 1962 figure to \$370 million. Last year Canada received \$150 million more from U.S. visitors than Canadians spent here.

Mexican visitors spent \$230 million for U.S. travel in 1963, compared with \$215 million in 1962. About \$65 million, 28 percent of their total expenditure, was paid for travel beyond our border area in 1963; this represents a continuation of the recent trend of increased Mexican travel to more distant parts of the United States.

Number of overseas visitors up sharply

The number of visitors from overseas areas increased less than their expenditures here last year. A total of 19 percent more business, pleasure, transit travelers, and students brought the total to 847,000, who spent \$330 million here. The preponderant part of the rise was in pleasure trips, which accounted for 613,000 visits, almost three-fourths of all travelers, and 117,000 more than in 1962. Business travel increased by approximately 15,000 to 122,000 last year. Transit travelers were slightly less numerous than the year before, and students somewhat more numerous.

Almost 400,000 visitors from Europe and the Mediterranean area visited the United States last year, and spent \$115 million. Average expenditures declined somewhat, principally because most of the volume increase was concentrated in the pleasure travel group, whose average expenditures were \$250 last year, well below the \$510 average for business travelers. As in the previous year, 70 percent of the European visitors came for pleasure visits—including "family affairs". Business travelers made up less than 20 percent of the total, while persons in transit and students made up the remaining 10 percent. British visitors again accounted for one-third of all travelers from Europe and the Mediterranean, their total reaching 138,000. Of the latter, 100,000 were here on pleasure trips. Visitors from Germany numbered

Table 5.—Percent Change in Number of Travelers, Average Expenditures, and Total Expenditures, of U.S. Residents Traveling in Europe and the Mediterranean Area, 1962-63

	(Percent)	Change in number of travelers	Change in total expenditures	Change in average expenditures
Europe and Mediterranean		+18	+11	-7
Sea		+16	+11	-1
Air		+19	+11	-7
United Kingdom		+13	+4	-8
Ireland		+7	8	-5
France		+11	+0	-3
Belgium-Luxembourg		+4	0	-3
Netherlands		+19	+1	+0
Germany		+18	+15	0
Austria		+18	+12	-3
Switzerland		+17	+19	+1
Italy		+17	+13	-2
Spain		+20	+20	+5
Denmark		+17	+17	-3
Sweden		+10	+8	-6
Greece		+25	+20	+12
Israel		+10	+13	0

Source: U.S. Department of Commerce, Office of Business Economics.

Table 6.—Average Daily Expenditures of U.S. Residents Traveling in Europe and the Mediterranean Area, by Kind of Travel, 1952, 1958, and 1963

Traveler	1952	1958	1963
U.S. residents:			
1st quarter	\$9.70	\$14.41	\$13.11
2d quarter	10.25	20.08	17.04
3d quarter	13.08	16.24	13.92
4th quarter	11.43	17.06	16.09
Year-round daily average, sea and air	13.06	17.82	14.06
Sea	11.51	15.41	13.82
Air	15.47	19.17	16.25
Native-born residents:			
Year-round daily average	18.07	22.73	18.22
Sea	17.60	21.14	17.87
Air	21.25	24.37	18.40
Foreign-born residents:			
Year-round daily average	7.74	9.88	9.89
Sea	6.72	8.70	7.39
Air	10.72	11.15	11.47

Note.—For coverage, see table 1; also excludes cruise travelers. Excludes fare payments for transoceanic transportation.

Source: U.S. Department of Commerce, Office of Business Economics.

Table 7.—Expenditures by Residents of Foreign Countries in the United States (Millions of dollars)

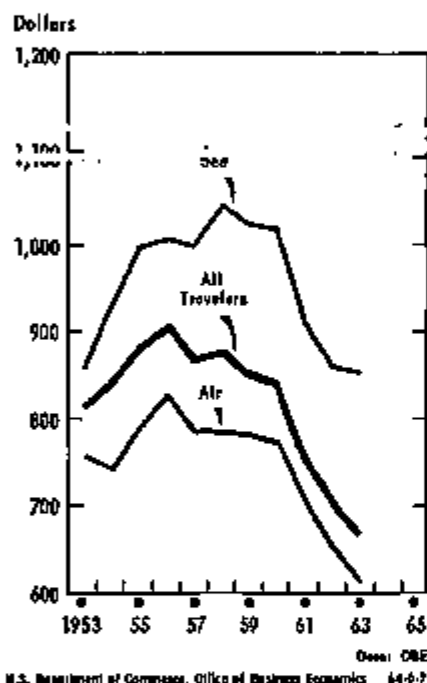
	1960*	1961*	1962*	1963*
Visitors from foreign countries	875	886	878	824
Canada	480	448	392	373
Mexico	182	200	217	223
Total overseas countries, Europe and Mediterranean	224	230	261	330
United Kingdom	96	93	108	113
West Indies, Central and South America	84	90	102	147
Other overseas countries	48	47	51	70
Japan	12	13	12	20

* Revised data.

Note.—Includes expenditures of travelers for business and pleasure, foreigners in transit through the United States, and students; excludes expenditures by foreign government personnel and foreign businessmen employed in the United States.

Source: U.S. Department of Commerce, Office of Business Economics.

AVERAGE EXPENDITURES OF U.S. TRAVELERS IN THE EUROPEAN AND MEDITERRANEAN AREA



last year, U.S. average per capita travel outlays in Japan, at \$410, remain higher than in any major tourist country of the world.

Foreign Spending Here Rises

U.S. earnings from all foreign visitors increased 7 percent to \$1.05 billion last year. Visitors from overseas countries paid about \$118 million of this to U.S. transoceanic air and sea carriers and spent \$0.93 billion in the United States. Visitors from Canada and Mexico, the source of 65 percent of our total receipts from travel within our country, spent a total of about \$600 million here.

As in 1962, Canada was the only exception to the pattern of higher

60,000, up 18 percent over 1962, and nearly 3 out of 4 were on pleasure trips. French and Italian visitors last year numbered 42,000 and 27,000, respectively.

South American travelers came here in larger numbers than ever before during 1963, although the number of those only in transit through the United States was sharply less. A 28-percent increase in pleasure trips more than compensated for the drop, and brought the area total in 1963 to about 135,000, as against 115,000 in 1962.

The total of our visitors from the West Indies and Caribbean area rose to 197,000 last year. About one quarter of these were residents of the Dominican Republic, many of them apparently

making only the short hop to Puerto Rico; their number has increased 40 percent in the past 2 years. About

Table 8.—Foreign Visitors to the United States From Overseas Countries
(Thousands of travelers)

	Total	Business	Pleasure	Transit	Student
Overseas countries total:					
1963	847	122	613	84	28
1962	713	107	490	86	25
Europe and Mediterranean:					
1963	388	75	278	30	5
1962	308	69	243	37	1
West Indies, Central and South America:					
1963	432	20	273	28	11
1962	308	17	205	37	9
Other overseas areas:					
1963	117	27	62	18	12
1962	92	23	48	11	11

Note.—Excludes visitors from Canada and Mexico; excludes foreign government personnel and foreign business men employed in the United States.

Source: U.S. Department of Justice, Immigration and Naturalization Service.

44,000 Central American visitors traveled here last year.

visitors from other overseas areas numbered about 117,000, up 27 percent from 1962. This included 32,000 Japanese travelers, who apparently found less difficulty last year in obtaining foreign exchange for U.S. visits, despite the continued limitations imposed by Japanese Government regu-

Table 9.—Foreign Visitors to the United States from Overseas Countries for Business, Pleasure, in Transit, or as Students
(Thousands of travelers)

	1960	1961	1962	1963
All Overseas Areas	602	654	713	847
Europe	283	288	341	388
United Kingdom	94	105	133	138
Germany	37	42	50	40
France	25	27	38	42
Italy	18	20	24	27
Asia	51	67	60	77
Japan	20	23	21	32
Israel	7	8	30	19
West Indies and Central America	150	134	163	197
South America	106	102	115	135
Venezuela	40	39	36	33
Argentina	16	19	15	15
Colombia	16	15	21	31
Africa	8	8	8	10
Oceania	20	22	20	43
Australia	22	22	24	20

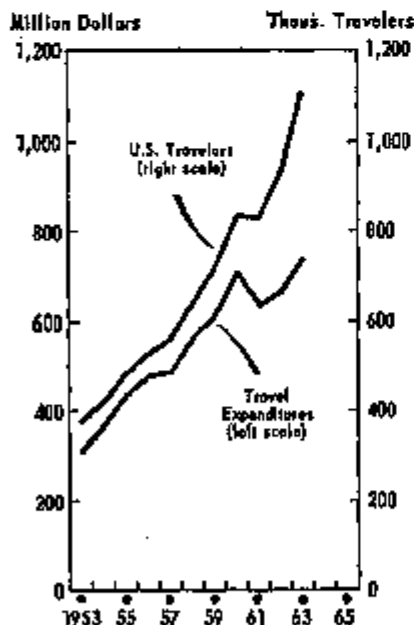
For Europe and Mediterranean areas combined, see table 8.

Note.—Excludes visitors from Canada and Mexico; excludes foreign government personnel and foreign business men employed in the United States.

Source: U.S. Department of Justice, Immigration and Naturalization Service.

lations. The proportion of business trips by Japanese travelers declined slightly, to a little less than 50 percent of the total. An additional 5,000 Australians came here bringing their 1963 total up 20 percent to 29,000.

U.S. TRAVELERS AND THEIR TOTAL EXPENDITURES IN THE EUROPEAN AND MEDITERRANEAN AREA



Source: BLS & OBE

U.S. Department of Commerce, Office of Business Economics 64-6-0

Step-up in 1964 Plant and Equipment Programs

(Continued from page 5)

from 1963, while trucking companies expect a one-tenth rise.

Utilities, communications and commercial companies

Public utilities and the communications-commercial group project 1963-64 increases in new capital expenditures of 7 percent and 8 percent, respectively. These programs are little different from those reported last February. The expected rise in spending by commercial firms is due almost entirely to retail firms, which plan to increase their capital outlays throughout 1964.

Public utilities are planning to spend \$6 billion in 1964, the highest rate since 1958. Electric and gas companies are each scheduling a 7 percent in-

crease over last year's outlays. On a quarterly basis, public utility spending rose steadily from the recent low in the first quarter of 1963, reaching a seasonally adjusted annual rate of \$6 billion in the opening quarter of this year—15 percent above a year earlier. Outlays are expected to hold close to a \$6 billion rate throughout 1964.

The carryover of new plant and equipment projects of the public utilities totaled \$6.2 billion on March 31, as compared to \$6.1 billion a year earlier. This was a much smaller rise from a year earlier than at the end of 1963. Starts of new projects in the first quarter of 1964 were \$1.9 billion as compared to \$2.1 billion in the first 3 months of 1963.